

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

<b>UNITED STATES OF AMERICA</b>	<b>:</b>	<b>CRIMINAL NO. 20- 199</b>
<b>v.</b>	<b>:</b>	<b>DATE FILED: 6/25/2020</b>
<b>DENNIS MASON</b>	<b>:</b>	<b>VIOLATIONS:</b>
a/k/a “Brian Scofield”		<b>18 U.S.C. § 1349 (conspiracy – 1 count)</b>
a/k/a “Keith Samuel”	<b>:</b>	<b>18 U.S.C. § 1343 (wire fraud – 1 count)</b>
		<b>Notice of forfeiture</b>

**INFORMATION**

**COUNT ONE**

**THE UNITED STATES ATTORNEY CHARGES THAT:**

At all times material to this Information:

1. Defendant DENNIS MASON, a resident of New Jersey, sold food service franchises as an independent contractor, primarily doing business as Franchise Ventures, Inc.
2. Person #1, known to the United States Attorney, was the founder, owner, and President of New York Bagel Enterprises, Inc. (“New York Bagel”), which was in the business of selling bagel franchise opportunities in multiple states, including in the Eastern District of Pennsylvania.
3. Starting as early as 2008, defendant DENNIS MASON sold New York Bagel franchises on behalf of Person #1. Defendant MASON provided information to prospective franchisees about, among other things, the cost to open a franchise, the availability of financing, and the profits made by existing franchises. Between 2008 and 2018, defendant MASON sold more than 160 New York Bagel Franchises. These prospective franchisees paid more than \$2.5 million in franchise fees to New York Bagel.

4. The fee that prospective franchisees paid to New York Bagel ranged between \$7,500 and \$44,500. Person #1 shared a percentage of these franchise fees with defendant DENNIS MASON.

5. Defendant DENNIS MASON communicated with prospective franchisees using interstate communications, including e-mails and telephone calls.

6. Defendant DENNIS MASON sometimes used the aliases “Brian Scofield” and “Keith Samuel” when communicating with prospective franchisees to conceal his true identity.

7. From in or about 2008 through on or about July 25, 2018, in the Eastern District of Pennsylvania, and elsewhere, defendant

#### **DENNIS MASON**

conspired and agreed together with Person #1, and other persons unknown to the United States Attorney, to commit wire fraud, that is, knowingly executing and attempting to execute a scheme to defraud prospective franchisees and to obtain money and property by means of false and fraudulent pretenses, representations, and promises, in violation of 18 U.S.C. § 1343.

#### **MANNER AND MEANS**

It was part of the conspiracy that defendant DENNIS MASON, Person #1, and others unknown to the United States Attorney:

8. Met with and spoke to prospective franchisees in the Eastern District of Pennsylvania and throughout the country.

9. Made material misrepresentations to prospective franchisees about the profitability of the franchise. In particular, defendant MASON understated the startup costs, overstated the number of franchises that were up and running, overstated the success of existing

franchises, and falsely promised that other franchisees were planning to open a specific number of additional franchises in the future.

10. Placed advertisements using interstate communications, such as Craigslist.

11. Made material misrepresentations and guarantees about the ability of New York Bagel to get financing for the prospective franchisees.

12. Made false statements to prospective franchisees that any franchise fee paid would be fully refundable if the franchisee was unable to obtain financing.

13. Made false and inconsistent statements to prospective franchisees.

14. Obtained franchise fees from more than 160 prospective franchisees.

15. Accepted payments of franchise fees using personal checks, cashier's checks, and credit card payments.

16. Refused to refund franchise fees paid by prospective franchisees who learned of the material misrepresentations or were unable to obtain financing.

All in violation of Title 18, United States Code, Section 1349.

**COUNT TWO**

**THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:**

1. Paragraphs 1 through 6 and 8 through 16 of Count One are incorporated here.
2. From on or about January 1, 2008 through on or about July 25, 2018, defendant

**DENNIS MASON**

devised and intended to devise a scheme to defraud prospective franchisees and to obtain money and property by means of false and fraudulent pretenses, representations and promises.

3. On or about June 4, 2016, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

**DENNIS MASON,**

for the purpose of executing the scheme described above, caused signals and sounds, that is an e-mail between New Jersey and Pennsylvania, to be transmitted by means of wire communication in interstate commerce.

All in violation of Title 18, United States Code, Section 1343.

**NOTICE OF FORFEITURE**

**THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:**

1. As a result of the violations of Title 18, United States Code, Sections 1343 and 1349, set forth in this information, defendant

**DENNIS MASON**

shall forfeit to the United States of America any property, constituting, or derived from, proceeds obtained directly or indirectly, as the result of such violation, including, but not limited to \$586,023:

2. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third party;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 18, United States Code, Section 981(a)(1)(C).

A handwritten signature in blue ink that reads "Ronald Barock" followed by the word "for".

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**WILLIAM M. McSWAIN**  
**United States Attorney**